

DEPARTMENTAL POLICIES

POLICY # 412	SUBJECT: JPMC BANK Super Card
EFFECTIVE DATE: August 20, 2009	PAGE 1 of 6
AUTHORIZED SIGNATURE:	

JPMC BANK Super Card

I. BACKGROUND

The State of Delaware has contracted with J. P. Morgan Chase (JPMC) BANK to provide state agencies with a VISA procurement card for small purchases and business travel. This program is known as the Super Card Procurement Program. The Fiscal Services unit can secure a JPMC BANK Super Card (to be known as “the Card” for the purposes of this policy) for designated employees based on operational job-related needs for (1) legitimate business related purchases and (2) business travel. The JPMC BANK Super Cards are issued to individuals.

Possessing a Card entrusts the card holder with State resources, and as such, the Card must be managed responsibly. Cardholders should read this policy carefully and keep it at hand to ensure that proper procedures are followed. Every dollar spent must be properly documented; a Card purchase uses the State’s money and purchases will be carefully monitored. Purchases require preapproval under existing office, division and department procedures. If you question whether a purchase is appropriate, consult your supervisor, who may then contact someone in Fiscal Services for guidance. Access to a Card may be necessary for you to perform essential job functions. By taking the necessary steps to ensure purchases are properly documented, you can avoid any potential problems related to your use of a Card.

This policy is divided into five sections:

- The Application Process
- Appropriate Use of the Card
- Securing the Card
- Necessary Documentation During and After Use
- Summary of Responsibilities

II. THE APPLICATION PROCESS

1. For Initial Card requests:

- a. The Card application form is available on the S drive in a folder called “travel-super card”.

- b. The original application form is to be completed and signed by the employee to whom the Card is to be issued. The employee's supervisor and the Fiscal Services Divisional Coordinator must also sign the application. The signed form must be sent to Fiscal Services in hard copy by interoffice mail with the employee and his/her supervisor's signature before the application can be processed.
- c. Requests for Cards are to be approved by the employee's Division Director before final approval and processing by Fiscal Services.

III. APPROPRIATE USE OF THE CARD

1. Obtain Advance Approval

- a. Cardholders are to obtain advance approval via requisitions, travel requests, FACTS funding requests, or via their supervisor *before initiating any purchase* on the Card. This documentation of approval is to be provided to Fiscal Services by the cardholder.

2. Travel

- a. Travel expenditures are only to be made for approved business reasons and must conform to the DSCYF travel policy which prohibits certain expenses and sets forth dollar limits on expenses such as: personal telephone calls, tips, etc. Employees must reimburse the State by check or money order for any non-allowable purchase or for expenditures above the allowable amounts.
- b. The maximum single item purchase is limited to \$2,500 (may be set lower depending on spending patterns) and the monthly credit line is limited to \$3,000 per card. Higher limits can be set if a legitimate business need is demonstrated via a written request stipulating the business need signed by the employee and approved by the employee's supervisor and division director. The request will then be forwarded to the Department Controller for review and approval/disapproval. Notice of the disposition will be sent to the employee, supervisor, and division director.

3. Cash Advances

- a. ATM capability is the feature that enables an employee to access cash while traveling on behalf of the State, to consolidate all travel transactions through the use of the JPMC BANK Card, and to eliminate the need for travel advances as stated in Division of Accounting (DOA) Memo #04-04 dated July 3, 2003. The Department will pay ATM charges incurred related to approved cash advances. The cash advance feature will automatically be set at zero dollars (or null) for all cards and will be activated only if an approved travel request, requisition, etc. is received by Fiscal Services in advance of the date the cash advance is needed. Exceptions to the automatic null cash advance policy will be considered on a case by case basis if a

legitimate business need is demonstrated via a written request stipulating the business need signed by the employee and approved by the employee's supervisor and division director. The request must stipulate the business need and specific conditions/accountabilities associated with the request and must be signed by the employee, supervisor, and division director. The request will then be forwarded to the Department Controller for review and approval/disapproval. Notice of the disposition will be sent to the employee, supervisor, and division director.

4. Unauthorized Purchases

- a. The Card is to be used for State approved purchases only
- b. If an unauthorized purchase is transacted with the Card, the employee is personally liable to reimburse the State for the full amount including any interest or penalty. Unauthorized use can result in disciplinary action up to and including termination of employment in accordance with the State of Delaware Merit Rules and 29 Delaware Code, Section 6505(c)(1).

IV. SECURING THE CARD

Cardholders are to take reasonable and necessary protective measures to avoid any loss, theft or unauthorized use by others of the Card issued to them by safeguarding the card.

Safeguards include:

1. Not allowing others to use or have access to the Card. The individual's card, card number, PIN, etc. is not to be shared with other individuals under any circumstances. The cardholder is not to give their card to another individual for them to make a purchase on their behalf. This does not preclude, however, a support staff person from using their own Card to make an airline reservation for another individual if requested to do so.
2. Carrying the Card only when it is needed to conduct State business.
3. Placing the Card in a safe and secure place when not in actual use, i.e. placing it in a locked location such as a desk, filing cabinet, safe, etc. If the cardholder does not have a place to secure their Super Card, it is their responsibility to advise their supervisor and it is the supervisor's responsibility to provide the means to secure the card.

In the event that the cardholder does not properly secure their Card, and the card is lost, stolen or used by others, formal disciplinary actions may be taken against the cardholder. Additionally, depending upon the circumstances, the cardholder will be required to reimburse the State for the financial loss or losses incurred.

V. NECESSARY DOCUMENTATION DURING AND AFTER USE**1. Travel:**

A Purchase Log with receipts attached is due in Fiscal Services within 7 workdays of returning from each business trip. For cash advances, the log is to register the amount of the advance and then enumerate and deduct from it the items the advance was expended on. Any outstanding unspent cash advance balance documented on the log is to be returned via a check or money order (payable to the State Treasurer). Cash advances are not to be comingled but accounted for individually on the log. Receipts for withdrawing the advance and original documentation/receipts for what the advance was spent on must accompany the log. Allowable non-Card items paid out of pocket are to be submitted for reimbursement separately with receipts/documentation on a Personal Reimbursement Expense form (PE-1).

2. Other Purchases:

The cardholder must maintain a purchase log, documentation of approved requisitions, receipts, etc. for their Card and submit the log with accompanying receipts/documentation within 7 days after the end of each month in which the purchases were made. Please note that the cardholder is responsible for ensuring that receipts/documentation are obtained and maintained for their purchases. As an official practice, Card purchases not documented by the cardholder through logs and receipts are not allowable. While on rare occasions, due to inadvertent loss of a receipt, an affidavit may be used to support a purchase, they are not to be used as a routine replacement for original receipts/ documentation. If an affidavit is needed, the cardholder must secure written approval from their supervisor on the affidavit itself for them to use an affidavit. If a cardholder submits affidavits three or more times, the Fiscal Services unit supervisor will advise the Department Controller of the pattern that has developed. The Department Controller or their designee will then advise the employee through their supervisor that for a period of six months affidavits will not be accepted from the cardholder. During that time the cardholder will be required to reimburse via check or money order any Card purchases that are not supported by receipts/documentation.

3. Failure to Submit Timely/Complete Documentation:

Following are the actions that will be taken to address repeated untimely and/or incomplete submissions:

- If, after two occurrences, a cardholder does not provide the required documentation within the timelines or provides incomplete documentation, the cardholder and their supervisor will be advised that the cardholder's Card will be inactivated for three months.
- After three months, the employee's card will be reactivated. If the lateness/lack of documentation reoccurs, the cardholder, supervisor and division director will be advised that the cardholder's Card will be inactivated for six months.

- If, after the Card is reactivated a second time, lateness/lack of documentation reoccurs, the cardholder, supervisor and division director will be advised that the cardholder's Card privileges have been cancelled. The division will not be allowed to request a Card for the employee for one year.

If there is a job related need for purchases to be made on behalf of the cardholder while a card is inactivated or cancelled, the cardholder's supervisor will be responsible for making the purchases on their Card and providing the logs/receipts as required.

VI. SUMMARY OF RESPONSIBILITIES

1. The DSCYF Fiscal Services unit is responsible for:
 - a. Presenting a copy of this policy to each cardholder and training them on this policy and the form/procedures contained therein.
 - b. Completing and forwarding necessary paperwork to secure or terminate cards as well as additions/deletions/changes to existing Cards to the Division of Administration (designated Fiscal Services Credit Card Coordinator responsibility).
 - c. Reconciling monthly billings against the individual cardholder log before processing them in the State accounting system for payment (designated Fiscal Services Credit Card Reconciler responsibility).
 - d. Encouraging proper and timely submission of cardholder logs to Fiscal Services within 7 days after the end of the month by the cardholder and promptly reporting problems to the designated Fiscal Services Credit Card Coordinator (designated Fiscal Services Credit Card Reconciler responsibility).
 - e. Handling disputed billings (designated Fiscal Services Credit Card Coordinator responsibility).
 - f. Receiving and placing final approval on Card applications.
 - g. Serving as the liaison between the Division of Administration and the Department, and
 - h. Paying Card statements received from the designated Fiscal Services Coordinator within 5 working days (designated Fiscal Services Credit Card Reconciler responsibility). Statements for which the Fiscal Services Credit Card Reconciler has not received logs/documentation or incomplete logs/missing documentation cannot be processed.
2. The Cardholder is responsible for:
 - a. Participating in training by a Fiscal Services staff person on this policy and the form/procedures contained therein.
 - b. Complying with this policy and accompanying procedures.
 - c. Using the Card only for legitimate State business/purchases.
 - d. Maintaining and submitting required documentation of Card use.

- e. Signing and forwarding the purchase log, purchase documentation and receipts to the Division's Fiscal Services Coordinator monthly (no later than the 7th day of the month) or within 7 days of return from travel. In the case of Fiscal Services or Terry Center cardholders, in order to maintain segregation of duties, those cardholders will forward the logs directly to the Fiscal Services Reconciler. Fiscal Services/Terry Center cardholders cannot make payments on their own card. All Card payments will be processed by the designated Fiscal Services Reconcilers assigned to each division.
- f. Reporting a lost or stolen card in a timely manner by calling 1-800-685-4039 (JPMC BANK) and their designated Fiscal Services Credit Card Coordinator.